

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NOS. RPU-04-3 WRU-04-57-156
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**ORDER DOCKETING CASE, ESTABLISHING PROCEDURAL
SCHEDULE, SETTING INTERVENTION DEADLINE, AND GRANTING WAIVER**

(Issued January 4, 2005)

On December 21, 2004, MidAmerican Energy Company (MidAmerican) filed with the Utilities Board (Board) an application for determination of ratemaking principles pertaining to a proposed 30 MW to 90 MW expansion of its original 310 MW wind-powered generation project. MidAmerican plans to expand at one or both of the sites where the 310 MW of wind turbines are currently being constructed. One site is in Northwest Iowa, the other in North Central Iowa.

As part of its application, MidAmerican filed a stipulation and agreement signed by MidAmerican and the Consumer Advocate Division of the Department of Justice. The stipulation and agreements asks that the Board approve MidAmerican's requested ratemaking principles. Included in the stipulation and agreement is a one-year extension of the revenue sharing agreement approved on October 17, 2003, in Docket No. RPU-03-1. MidAmerican commits not to seek any general rate increase in Iowa electric base rates to become effective during 2011, unless its Iowa jurisdiction return on equity for electric operations in 2010 falls below 10 percent.

The stipulation and agreement specifically provide that zonal rate imbalances may be addressed by the Board in Docket No. RPU-04-2 and associated dockets.

Iowa Code § 476.53 provides that when defined new electric generation is to be constructed by a public utility, the Board shall specify in advance, by order issued after a contested case proceeding, the ratemaking principles that will apply when the costs are included in electric rates. MidAmerican's expansion falls within defined class of new electric generation eligible for ratemaking principles.

The Board has reviewed the application and will docket it for investigation and set a procedural schedule. The Board will also grant a waiver of 199 IAC 7.2(11)"a," which provides that a settlement may be filed at any time after a case is docketed. Here, the settlement and agreement was filed as part of the ratemaking principles application. The waiver, which was requested by MidAmerican in its filing, is appropriate because it gives other potential intervenors an opportunity to review the settlement and agreement prior to making their decision whether to intervene in the proceeding. The standards for granting a waiver contained in 199 IAC 1.3 are satisfied.

MidAmerican also requested that the Board conduct an expedited review of the application. MidAmerican said a ruling was needed by February 14, 2005, so that MidAmerican can take advantage of the federal production tax credit for wind facilities. The Board will set an expedited schedule. If there are no filings in

opposition to the settlement and agreement, MidAmerican may file a motion to cancel the hearing.

IT IS THEREFORE ORDERED:

1. An investigation is initiated with respect to the application for determination of ratemaking principles filed by MidAmerican Energy Company on December 21, 2004. This matter is identified as Docket No. RPU-04-3, a formal contested case proceeding. The expenses reasonably attributable to this investigation will be assessed to MidAmerican in accordance with Iowa Code § 476.10 (2003).

2. The following procedural schedule is established:

a. The deadline to file a petition to intervene in this proceeding shall be January 14, 2005. The petition to intervene shall state whether the prospective intervenor supports or opposes the settlement and agreement.

b. Any intervenors opposed to the stipulation and agreement shall file prepared direct testimony, with underlying workpapers and exhibits, on or before January 21, 2005. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.

c. MidAmerican and any intervenors supporting the stipulation and agreement shall file rebuttal testimony, with underlying workpapers and exhibits, on or before January 26, 2005.

d. The parties shall file a joint statement of the issues on or before January 28, 2005.

e. All parties that choose to file a prehearing brief may do so on or before January 28, 2005.

f. A hearing shall be held beginning at 9 a.m. on January 31, 2005, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

3. In the absence of objection, all underlying workpapers shall become a part of the evidentiary record of these proceedings at the time the related testimony and exhibits are entered into the record.

4. In the absence of objection, all data requests and responses referred to in oral testimony or on cross-examination that have not been previously filed shall become a part of the evidentiary record of these proceedings. The party making reference to the data request shall file an original and six copies of the data request and response with the Board at the earliest possible time.

5. In the absence of objection, when the Board has called for further evidence on any issue and the evidence is filed after the close of the hearing, the evidentiary record will be reopened and the evidence will become part of the record two days after the evidence is filed with the Board. All evidence filed pursuant to this paragraph shall be filed no later than three days after the close of the hearing in this proceeding.

6. The request for waiver of 199 IAC 7.2(11)"a" filed by MidAmerican Energy Company on December 21, 2004, as part of its ratemaking principles application, is granted.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 4th day of January, 2005.